

A business may decline to provide the information when, in good faith and reasonable judgment, it determines that the law does not require the disclosure of the information.

A business that willfully fails to disclose information may be in violation of the Consumer Protection Act. A consumer harmed by such a violation may be awarded actual damages, or, in the case of willful violations, punitive damages of up to \$1,000, costs and reasonable attorney's fees.

## Victim Identification Procedure

In order to document identity, an identity theft victim may have fingerprints taken by any law enforcement agency. The prints will then be forwarded to the Washington State Patrol. Once the fingerprints are filed, the State Patrol will provide the victim with a written statement verifying that the prints are on file and informs the businesses of their obligation to share relevant information with the victim.

## Limitations Imposed On Collection Agencies

A collection agency may not call a debtor more than one time in 180 days in order to collect on debts associated with an identity theft, as long as the victim forwards information regarding the alleged theft to the collection agency.

The victim must provide:

1. A written statement describing the nature of the fraud or theft and identifying the documents and/or accounts involved;
2. A certified copy of the relevant police report;
3. Detailed information specifically identifying the

relevant financial institutions, account numbers, check numbers, etc;

4. A legible copy of a government issued photo identification card issued before the date of the alleged identity theft; and

5. A statement that the subject debt is being disputed as the result of identity theft. Collection agencies are only prohibited from calling consumers about transactions that have been identified as fraudulent.

Under certain limited circumstances, a collection agency may be free of liability for repeated oral contacts with a debtor, contacts that would otherwise violate the statute. A collection agency does not violate the statute if it acts in good faith and the contacts fall under any one of several specified exceptions.

## Limitations Imposed On Credit Reporting Agencies

Within 30 days of receiving proof of a consumer's identification and a copy of a filed police report concerning the consumer's claim that he or she is the victim of identity theft, a credit reporting agency must permanently block information from a credit report that is identified as the result of identity theft.

The credit reporting agency must tell the entities providing information that the information has been blocked. Under certain circumstances, such as errors or consumer misrepresentation, the credit reporting company or the entity providing the information may decline to block or rescind the block.

### Equifax

P.O. Box 740241  
Atlanta, GA 30374  
1-800-685-1111 (Order Credit Report)  
1-800-525-6285 (Report Fraud)

### Experian

P.O. Box 2104  
Allen, TX 75013  
1-888-397-3742 (Order Credit Report)  
1-888-397-3742 (Report Fraud)

### Trans Union

P.O. Box 1000  
Chester, PA 19022  
1-800-888-4213 (Order Credit Report)  
1-800-680-7289 (Report Fraud)

## Where to Go For More Information

- If you are a victim of identity theft, contact your local law enforcement agency and the Federal Trade Commission's Identity Theft Hotline, **1-877-IDTHEFT**.

- The FTC and Attorney General post step-by-step directions on their websites for reporting identity theft. The Internet addresses are:

- Federal Trade Commission:  
<http://www.consumer.gov/idtheft>

- Washington State Attorney General's Office:  
<http://www.wa.gov/ago>

- The Attorney General's identity theft experts in Consumer Resource Centers statewide can help refer you to the proper authorities and will assist victims with referrals, problems with credit reporting and collections. Consumer Resource Centers can be reached at **1-800-551-4636**.

# Identity Theft



## A Guide for Business

Washington State  
Attorney General's Office

# Identity Theft

## Introduction

Identity theft is one of the fastest growing consumer scams in America. Some estimate that between 500,000 and 700,000 people – or one per minute – will have their identities stolen this year. Consumers are not the only ones hurt. More and more businesses are seeing their bottom lines affected by identity theft.

The Federal Trade Commission defines identity theft as “someone appropriating your personal information without your knowledge to commit fraud or theft.” Typically, an identity thief steals Social Security numbers or other personal identification, and uses that information to unlawfully obtain credit or otherwise commit a crime.

This brochure by the Washington State Attorney General’s Office, in collaboration with several business, consumer, and financial institution organizations, was developed to help the business community get the facts they need about identity theft.

With the May 2001 passage of the nation’s toughest identity theft law, Washington businesses now have a variety of powerful new tools to remedy the harm caused by identity theft. The following information provides a summary of the new identity theft law and the obligations of business. For any detailed questions you should consult legal counsel. I hope you find this brochure helpful.

Sincerely,



CHRISTINE O. GREGOIRE  
Attorney General

## The Problem

### Identity Theft is One of the Fastest Growing Consumer Scams in America

- The FTC instituted a toll-free hotline to counsel identity theft victims. It logged more than 20,000 calls nationwide in its first eight months.
- In Washington State, the FTC processed 693 identity theft complaints between November 1999 and December 2000. The actual number of victims is thought to be much greater.

### Fraud Can Start Anywhere

The Information Age affords would-be identity thieves countless opportunities to steal personal information, fraudulently incur debt, and leave the person’s credit history a tangled mess. The Internet gives thieves easy access to personal information. The proliferation of unsolicited credit cards and credit card offers and the common practice of requiring Social Security numbers and other personal information for a variety of transactions have also contributed to the increase in identity theft.

- Many identity thieves obtain information by stealing a purse or wallet or by mail theft.
- Usually the victim does not know how the thief obtained the information.

## Prevention

Many victims report spending countless hours convincing creditors, credit agencies, government agencies and others that transactions are fraudulent and should be purged from their files. This damage to victims’ credit history and reputation can result in denial of credit for things such as auto and home loans.

## Key Provisions of the New Identity Theft Law

(Effective: July 2001)

### How the New Law Will Help

Washington’s new identity theft law will be the toughest in the nation. The new law:

- Establishes jurisdiction for identity theft either in the county where the victim resides or in the county where any part of the offense takes place. The bill creates a loss threshold of \$1,500. Any loss at or above that amount constitutes a Class B felony. If the loss is less than \$1,500, identity theft is a Class C felony. This strengthens current law to deter would-be thieves and allows local prosecutors to seek stiffer sentences.
- Upon conviction of an identity thief, the law allows courts to issue an order a victim can use to correct public records tainted by identity theft. This gives victims a legal document to help correct public records. Victims may also want to provide a copy of any order to businesses as well.
- Allows a victim to block any adverse credit reports resulting from the crime by filing a police report with the credit-reporting agency. The block may be removed in certain circumstances under a good faith and reasonable judgment standard.
- Requires businesses to provide victims with information about fraudulent transactions made in their names. Businesses may require proof of identity. Businesses that refuse to provide information may be required to pay damages and a \$1,000 penalty for willful violations.
- Prohibits collection agencies from calling identity theft victims multiple times once they have been

notified that a series of checks have been stolen or misappropriated.

## What Businesses Need to Know About The New Identity Theft Law

### Sharing of Information Relevant to Identity Theft

Victims report that it is difficult to get information related to financial transactions. This provision was added to help victims track down the source of inaccurate entries on their credit report.

If a business has information relating to violations of the Identity Theft Act and may have done business with the thief, the business must provide, upon the request of the victim, copies of all relevant information.

Before providing the requested information, businesses may require the victim to verify his or her identity. Businesses may require proof of identity and charge reasonable fees for providing the information. Businesses may require:

1. A government issued photo identification card;
2. A copy of a police report; and
3. A written statement from the Washington State Patrol showing that it has documentation of the victim’s identity on file.

## Criminal Liability

A business that shares information with others for the purpose of aiding identity theft victims or assisting law enforcement will not be subject to civil or criminal liability if done in good faith.